

REPORT

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SUPPLEMENT TO
REPORT NO.

THIS IS UNEVALUATED INFORMATION

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1. VEB Farbenfabrik Wolfen will greatly exceed the estimated production of the 1954 VW plan (Volkswirtschaftsplan; political economy plan). The VW plan provided for a commodity production ~~amounting to 1,200,000 DME~~, but it is expected to reach a fulfillment of ~~1,200,000 DME~~. Chief dispatcher Boehm (fnu) of the Farbenfabrik ~~Wolfen~~ ~~at a labor conference in January 1955~~, that the VW plan was fulfilled 118 percent in ~~the fourth quarter of 1954~~. Not fulfilled, however, was the finance plan, ~~caused by~~ ~~marketing difficulties within the export program, especially through the failure of exporting Wofatox, a pest control compound. Wofatox, apparently was mainly intended for export trade and was produced from a substance~~ ~~which~~ ~~Walter Ulbricht shipped to the Farbenfabrik~~ ~~in 1954~~ ~~the~~ ~~quality of the material, many foreign customers of Wofatox~~ ~~dropped~~ from the export trade program.
2. The 1955 VW plan for the ~~Farbenfabrik~~ Wolfen provided for a commodity production ~~amounting to 1,200,000 DME~~. This sum has been raised to ~~1,300,000 DME~~, for the fulfillment of which the plant employees had allegedly voluntarily obligated themselves. Since the leading plant scientists were of the opinion that such an increase could not be carried out, representatives of the scientifics informed the plant management that they would not be responsible for the fulfillment of the increased production plan.
3. The original 1955 budget for social buildings at the plant was reduced by 537,000 DME; 157,000 DME of that sum were to be used for the erection of a waiting room and 400,000 DME for bachelor quarters. More reductions of the investment sum for social buildings are reportedly to be expected. There is likewise a reduction from the 1955 power program budget which allegedly has been reduced by 200,000 DME.
4. The 1956 budget for ~~general~~ repairs, new additions and social buildings provides for ~~40,000,000 DM~~.
5. The director of the Farbenfabrik's central laboratory, Dr. Goetz (fnu), stated in early December 1954, that the plant's machines had been overloaded up to 150 percent of their normal capacity. This made it impossible to free enough ~~machines for testing newly developed~~

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methods. It appears that many of the machines will soon become useless because of the overloading.

6. In December 1954, all existing records of the newly installed gypsum - sulphuric acid plant at the Farbenfabrik were photostated; among them were records concerning the production procedures and technical installations and buildings. The Ministry for Heavy Industry requisitioned the photostats, and they will allegedly be sent to Rumania where a similar installation is to be built. The corresponding records of the Mercedes plant are also to be photostated. Late in 1953, before the Farbenfabrik was turned over to the East German Government, the plant archives of the plant were allegedly ~~sent~~ photostated in seven copies.

Comment:

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Sulfuric acid is a bottleneck in all Eastern Bloc countries. Since the pyrite deposits in these territories are inefficient, several Eastern countries have resorted to the setting up of factories employing gypsum as a basic material for the production of sulfuric acid. Farbenfabrik Wolfen erected a gypsum - sulfuric acid plant prior to WW II; the plant was dismantled by the Soviets in 1946/47 and transferred to the USSR. Under the Five-Year Plan, the Wolfen sulfuric acid plant was reconstructed and production of sulfuric acid on the basis of gypsum was started in late 1953. Apart from the Rumanian plant, the Wolfen plant will serve as a pattern for several similar plants to be erected in other satellite countries in the years ahead. Prior to 1 January 1954, Farbenfabrik Wolfen was an SAG enterprise (Soviet corporation). Allegedly the entire archives were photostated by the Soviets before the plant was turned over to the Germans.

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